Projections of industry employment, 2016–26

Knowing which industries are projected to grow or decline helps jobseekers make more informed career decisions. The charts in this article show employment change in particular industries from 2016 to 2026 as projected by the U.S. Bureau of Labor Statistics (BLS).

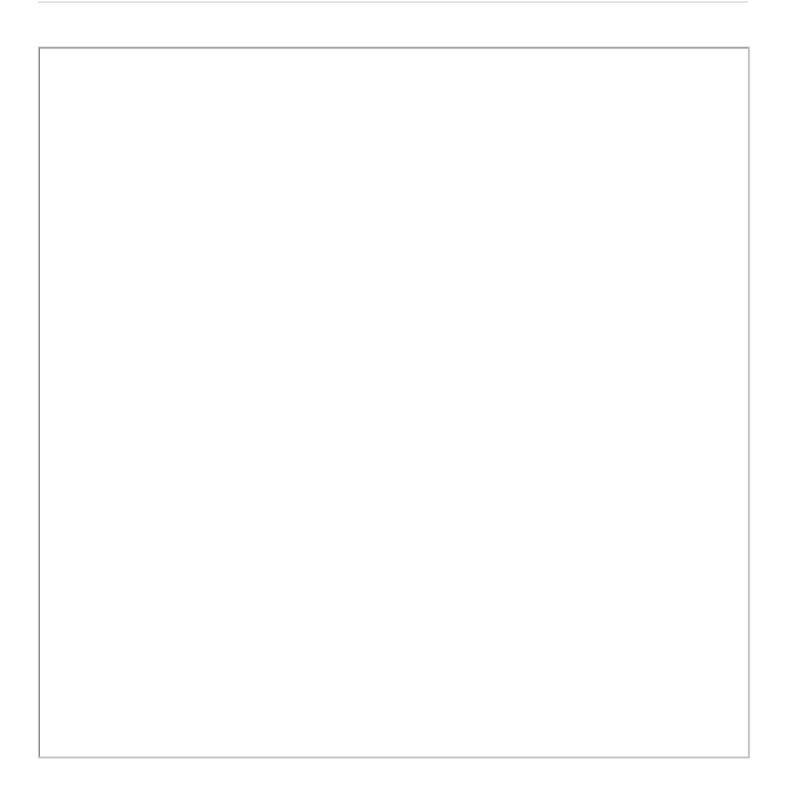
Industry employment projections are shown in terms of percent change (the rate of job growth or decline) and numeric change (the total number of jobs projected to be added or lost) over the 2016–26 decade. The average growth rate of 7 percent for all wage and salary workers is shown as a dashed vertical line in <u>chart 1</u>.

Some industries with fast rates of growth have a relatively small number of workers. Examples include oil and gas extraction and museums, historical sites, and similar institutions. These small, fast-growing industries may not offer as many new jobs as some larger industries that are projected to grow more slowly, such as state and local government. To understand the differences between growth rates (percent) and growth in new jobs (numeric), see the following video about understanding the data:

BLS projects employment for 205 detailed industries. In the charts shown in this article, industries are categorized into two groups: service-providing industries and goods-producing industries.

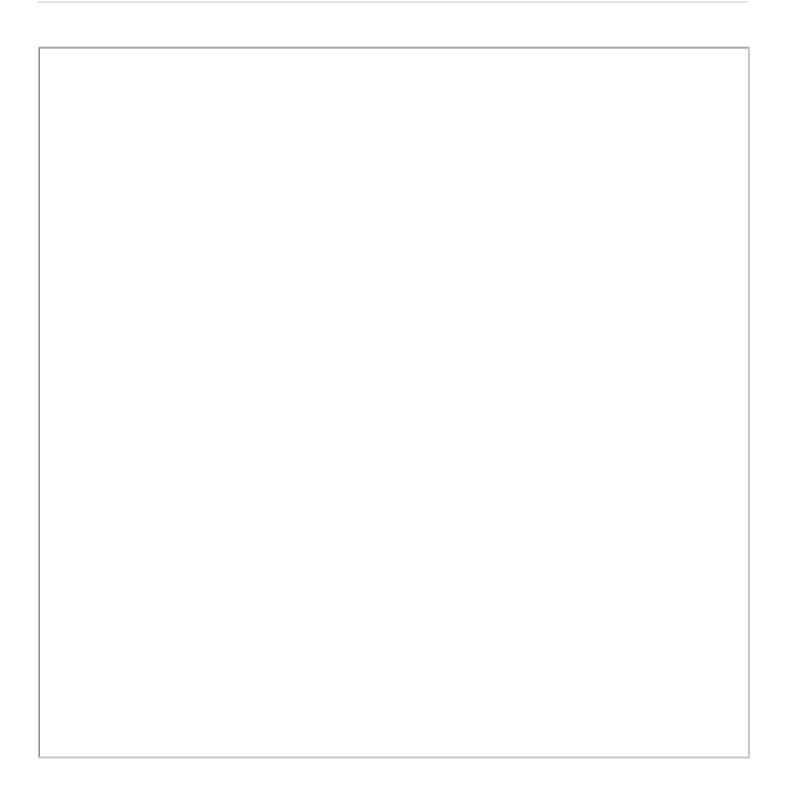
Fastest growing industries

As chart 1 shows, the fastest employment growth is projected to be concentrated in industries that provide services.



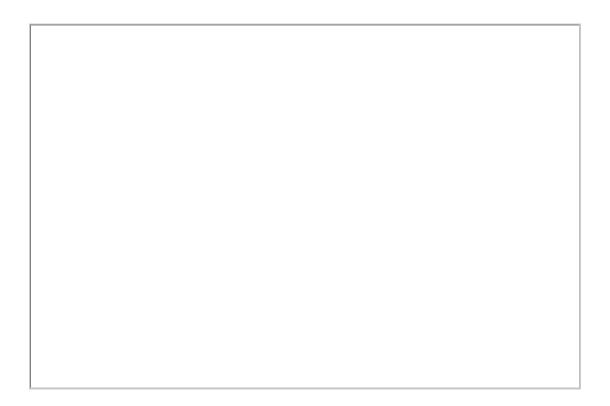
Most new jobs

The food services and drinking places industry is expected to add the most jobs. (See chart 2.) Construction is the only goods-producing industry among the top 20 in job gains.



Most job losses

Of the industries projected to lose the most jobs, more than half are in the manufacturing sector. (See chart 3.)



How BLS develops the projections

Every 2 years, BLS releases projections of the labor force, the overall economy, industry employment, and occupational employment. Economists in the BLS Office of Occupational Statistics and Employment Projections develop these data in a number of steps, first by analyzing broad trends and then by examining more closely several hundred industries and occupations.

Population and labor force

Using population projections from the U.S. Census Bureau, BLS analyzes how much the U.S. population and labor force are expected to grow over the 2016–26 decade. BLS then produces projections of the labor force—the civilian noninstitutional population ages 16 and older that is working or actively seeking work—by looking at historical trends in labor force participation for each age, gender, and race or ethnic group.

Overall economy

BLS then creates a model of an economy that is operating at full potential, given the projected labor force and several other factors. Using this framework, BLS estimates the dollar value of each industry's total output of goods or services. Some of these goods and services are sold to other industries; for example, corn is used in making

cereal. Other goods and services, such as the cereal itself or grocery delivery services, are sold directly to consumers.

Industry employment

BLS also studies trends in productivity—the amount of output produced per hour of work. Because of technological advances, for example, some industries are able to increase output without increasing the number of hours worked by employees. BLS uses this information to translate projected output into the number of jobs that each industry needs to produce its goods and provide its services.

Occupational employment

Next, BLS projects how jobs in industries are expected to be distributed across detailed occupations, using 2016 employment data from the BLS Occupational Employment Statistics survey and information from other sources for sectors not covered by the survey.

BLS then analyzes how the job distribution is likely to change over the 2016–26 decade, studying trends in technology, changing skill requirements, and other factors. And because employment trends in most occupations are closely tied to trends in particular industries, BLS used the job distribution information to project employment by occupation to 2026.

SUGGESTED CITATION:

"Projections of industry employment, 2016–26," Career Outlook, U.S. Bureau of Labor Statistics, December 2017.

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